

1 MR. KEELOR: Thank you, Mr. Chairman,
2 Commissioners. My name is Jim Keelor; I'm president and COO
3 of Liberty Corporation based in Greenville, South Carolina.
4 Liberty owns fifteen television stations, including WIS, the
5 NBC affiliate in Columbia, and WWAY, the ABC affiliate in
6 Wilmington. Our other markets run from 50 to 180.

7 I started out in broadcasting 36 years ago as a
8 local reporter, so I think I've seen the industry from the
9 ground up and I'm grateful for the opportunity to share some
10 of the experiences of how a television station serve their
11 local markets.

12 Shortly after beginning work at one of our
13 stations, every new Liberty employee received from me a
14 personal letter and that letter begins, quote, "we here at
15 Liberty are very serious about our commitments to the
16 communities we serve", end quote. And while there are too
17 many examples of this commitment to describe here, I would
18 like to mention just a few of those station efforts.

19 First, as most of you know, the Carolinas have an
20 unfortunate history of hurricanes and other severe weather,
21 and over the years both WWAY and WIS have dedicated
22 thousands of hours to covering these storms, most recently
23 Hurricane Isabel.

24 Liberty has invested millions of dollars in state-
25 of-the-art weather tracking equipment and other technology

1 which help us to broadcast localized emergency warnings and
2 report on the community recovery efforts. We have also
3 organized fundraisers to help those families who were
4 victims of the storms.

5 Liberty's stations also devote a substantial
6 amount of free air time to covering local politics. WWAY
7 and the North Carolina Broadcasters Association have a 25-
8 year history of producing debates among statewide political
9 candidates. WIS produced and aired live debates before both
10 the primary and general elections for governor in South
11 Carolina in 2002.

12 Prior to that general election WIS aired live
13 interviews during its top-rated evening newscast with 18
14 candidates for federal and statewide offices, and profiles
15 of eight different key issues in the races for the U.S.
16 Senate and governor, all at no cost to the candidates.

17 Our stations also recognize their special place in
18 the community as a source of education and culture. For
19 example, WWAY provided special programming on the debut and
20 opening of the new Cameron Art Museum in Wilmington, and a
21 thirty-minute special just before that museum opened.

22 WIS, for its part, recently launched a terrific
23 new program called "A Class Act" which helps teachers in
24 South Carolina equip their classrooms with needed supplies
25 in the face of government cuts in educational funds.

1 Commissioners, we think it's important for you to
2 understand that Liberty is not unique in its commitment to
3 localism. It's what broadcasters must strive to do. Local
4 stations understand that given their unique place in the
5 community, it is important and a necessity for them to be
6 good corporate citizens.

7 But we also know that in this era of six
8 nationwide TV networks, 80 cable channels, high-speed
9 internet, and all the other sources of information out
10 there, we must differentiate ourselves if we're going to
11 attract and hold the attention of our viewers. The best way
12 for us to do that is to be involved in our communities, be
13 responsible and responsive to the concerns of our local
14 audience. That is something Liberty Corporation learned a
15 long time ago, and it is the main reason we've been able to
16 survive and flourish as a group of stations located in small
17 markets for so many years.

18 Again, thank you for this opportunity. I'll be
19 happy to answer any questions from the Commissioners or the
20 audience might have.

21 CHAIRMAN POWELL: Thank you very much, sir. Ms.
22 Debbie Kwei, General Manager of WCHH.

23 MS. KWEI: Thank you and good evening. My name is
24 Debbie Kwei and I'm the General Manager of WCHH, 92.7 here
25 in Charlotte. We are a member of the Radio One family which

1 serves local markets with a large African-American presence.

2 Having lived in Charlotte since 1988, I was
3 thrilled when WCHH hired me three years ago as it set out to
4 bring a unique urban format to my local community. I'm
5 delighted to speak to you today on the subject of localism.
6 because I'm proud of the achievements WCHH has made in
7 reaching out to the African-American community in Charlotte.

8 First I'd like you to know that Radio One came to
9 the Charlotte area because of its large and growing African-
10 American population of over 300,000 residents. Before
11 WCHH's arrival, 92.7 FM had been an exclusively oldies
12 station with a significantly smaller minority following than
13 it enjoys today.

14 Welcoming the addition of our station to the
15 market, the local arts and entertainment tabloid, Creative
16 Loafing, gave us its best format change award for 2001.
17 Rather than having to turn to national cable outlets like
18 MTV or BET, Charlotte's many urban music fans can tune into
19 one of three very local radio venues in fulfilling their
20 musical interests.

21 The urban radio heard in Charlotte is not the same
22 as that of Los Angeles or Detroit. We regularly invite
23 listeners to our offices and ask for feedback about our
24 programming. We combine their input with other research to
25 help us know which artists, whether national or local,

1 Charlotte's urban music fans want to hear. Through this
2 process WCHH creates a format that reflects the particular
3 musical tastes of southern urban listeners.

4 For example, in addition to popular national
5 artists, we are always excited to air local urban talent, as
6 we have done with a young North Carolina artist named
7 Sherica. Because of her local appeal, I doubt people in
8 other cities can hear Sherica as often as they have done on
9 WCHH.

10 WCHH also airs a weekly program called Heat From
11 the Street which exclusively features local artists. To
12 find other new acts that appeal to our listeners, station
13 program directors in Charlotte will meet with
14 representatives of independent labels weekly.

15 By attracting a larger music following, WCHH is a
16 perfect outlet for speakers wishing to reach the local
17 African-American community, whether on issues of personal
18 well-being or during local emergencies like recent Hurricane
19 Isabel.

20 Seizing upon these opportunities is our Life
21 Improvements for Everyone Campaign which tackles six issues
22 per year that are a particular concern to the African-
23 American community.

24 For example, in the upcoming campaign WCHH will
25 run public service announcements with the local American Red

1 Cross Chapters to inform listeners about the low supply of
2 minority bone marrow donors and opportunities for free bone
3 marrow testing for minorities.

4 To be sure the local Red Cross has the attention
5 of our listeners, we will air stories about the sister of
6 popular urban artist Nelly who is suffering from leukemia.

7 This month for breast cancer awareness, we asked
8 representatives from the local clinics to speak on the air
9 about the need for regular detection measures.

10 In airing these and other public service messages
11 we could not reach Charlotte's African-American community if
12 we hadn't first met our locality's particular interest in
13 urban music. Thus, localism for us is learning and catering
14 to the listening interest of our local target audience
15 working with the community on important issues of public
16 concern, and providing an outlet for local artists.

17 Thank you very much for your time. I look forward
18 to hearing your questions.

19 CHAIRMAN POWELL: Thank you very much, Ms. Kwei.
20 Our next panelist is Tift Merritt.

21 MS. MERRITT: Hi, my name is Tift Merritt. I'm a
22 major label recording artist. And if you haven't ever heard
23 of me, it's because I'm not on your radio. I've brought my
24 record if you want to pass them out; I'd appreciate it.

25 Time Magazine named my debut the number six record

1 of 2002; Billboard called me a major new artist; CMT
2 regularly played my music video. Here's my spread in Vanity
3 Fair and I was on David Letter- -- I'm legit, and I'm not
4 here to complain that I'm not the queen of the radio.

5 I'm here because I'm a North Carolina musician;
6 I'm a North Carolina businesswoman. Everyone in my band is
7 from North Carolina. The support of my North Carolina fans
8 has really allowed me to accomplish what I have, so you're
9 looking at local.

10 And when I was invited to speak today, I was told
11 that today's debates are about localism, not about
12 ownership. As a local, I want to make it clear that any
13 conversation about localism without regard to media
14 ownership is absolutely avoiding the heart of this issue and
15 certainly cannot render a sincere solution.

16 (Applause.)

17 I only have three minutes, so I'm going to cut you
18 off. In Fortune magazine the president of Clear Channel,
19 Lowery Mays, I am not attacking him; I'm saying what he
20 said. He said that his company is not interested in music,
21 in songs, in DJs; they sell advertising.

22 I'm here today because I'm very distressed that
23 the FCC feels comfortable allowing the public airwaves to
24 rest in the hands of people who admittedly do not care about
25 content. The airwaves are public; the airwaves serve the

1 public, not a corporate bottom line, and this is where
2 localism begins.

3 In North Carolina I've sold as many records as
4 people like Toby Keith and Alan Jackson. My local country
5 affiliate knew about this. People called in and requested
6 me. And because I'm local, and a lot of them told me about
7 it. And you would think that because I was making such
8 major inroads nationally that the station would have been
9 thrilled to support me. Not once.

10 And, in fact, the people who called in were told
11 by the DJs that the DJs wanted to play me, but management
12 was going to have to change the programming.

13 And on top of that, when this issue came to light
14 earlier this spring and received some publicity, the station
15 said well, it's because Tift's record company didn't contact
16 us, which was absolutely, probably the truth because my
17 record company, who I have a wonderful relationship with,
18 did make the decision that they were not going to spend a
19 lot of money on an expensive radio campaign.

20 Do you understand what that means? It costs money
21 to get on the radio. And, you know, these executives are
22 really smart, but they're not smart enough they want me to
23 pay it back, so they put it on my royalty statement of what
24 I'm financially responsible to them for. So it's, you know,
25 it's there.

1 I think in my instance I don't understand how the
2 airwaves can be a place of healthy competition. For
3 example, radio conglomerates claim that programming is
4 localized, and I don't see how this can be true in this
5 case. And deregulation proponents claim that the airwaves
6 are public. But how, when a station disregarded listeners
7 in the signal range, how can that be true?

8 I want to make it very clear that I'm a realistic,
9 small businesswoman and that I was locked out of competition
10 and isolated from my main line to my audience. The fewer
11 the radio station owners, the fewer and the -- the less the
12 concern about content. The more monotony on every play
13 list, the more I will be locked out and thousands,
14 thousands, thousands of people like me will be in that
15 situation.

16 And these are people that bring 500 to 2,000
17 people to your main street on any given night. They fill
18 your restaurants, they use FedEx, they use hotels. These
19 are legitimate people who contribute to the economy. But
20 most importantly, they bring their music and they're going
21 to be silenced.

22 Commissioner, the new media rules incorporating
23 clear standards for local programming are important, but
24 local initiative that refuses to recognize the role that
25 concentrated media plays in stifling local voices simply

1 elevates window-dressing over true substance.

2 And in North Carolina if you want to talk about
3 local musicians, you're talking about John Coltrane, you're
4 talking about Roberta Flack, Doc Watson, Max Roach, Earl
5 Scruggs, people who not only made this state unique, but
6 have shaped the heritage of our country and are reknown
7 around the world.

8 If you give young musicians no possibility of
9 making a living, if you give the radio waves to people with
10 no regard for music or localism or content, if you stifle
11 the musical outlets with an unfettered interest in the
12 bottom line, you will scatter not only the next generation
13 of North Carolina talent, but 49 other states worth because
14 they will have to find something more feasible than an
15 instrument to voice their sorrow and their joy.

16 Thank you for your time.

17 (Applause.)

18 CHAIRMAN POWELL: Thank you, Ms. Merritt, for that
19 passionate recitation.

20 MS. MERRITT: I was hoping to be charming, but I
21 didn't know I'd only have three minutes. I was told five.

22 CHAIRMAN POWELL: It was a righteous five, though.
23 Our fourth panelist is Ms. Joan Siefert Rose, General
24 Manager of WUNC-FM. We're very happy to have you here, and
25 please proceed.

1 MS. ROSE: I'm glad to be here, and I'm also very
2 pleased to tell you that Tift Merritt can be heard on WUNC,
3 as well as on many other public stations across the state.
4 It is an honor for those of us down on the left-hand side of
5 the FM band to address the Commission's Task Force on
6 Localism on behalf of noncommercial broadcasters in the
7 state.

8 The topic of the hearing today which is local
9 public service really touches upon my core responsibility as
10 a public broadcaster. I'm sure that most of you here have
11 tuned in to public radio at some point. North Carolina has
12 15 different public radio licensees offering news, public
13 affairs, classical music, jazz, bluegrass, hip-hop, reggae,
14 community service announcements, and reading services to the
15 blind.

16 And we have a combined weekly audience of 1.3
17 million listeners across the state, so it's a significant
18 audience that is reached in North Carolina.

19 One of the licensees is WUNC public radio. We're
20 a news and public affairs service, with bluegrass music on
21 the weekends, licensed to the University of North Carolina
22 at Chapel Hill. We serve 300,000 weekly listeners in 36
23 counties in North Carolina.

24 We don't receive any direct funds from either the
25 university or the State of North Carolina. And in a typical